IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

MONDAY, THE 23RD JULY 2007 / 1ST SRAVANA 1929

WP(C).No. 22551 of 2007(I)

PETITIONER:

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1. M/S.SWARNA SHILPI, 74-A SHEIKH MEMON STREET, 2ND FLOOR, OPP:HOTEL BHAGAT TARACHAND, ZAVERI BAZAR, MUMBAI-400002, A PARTNERSHIP FIRM REPRESENTED BY ITS MANAGING PARTNER, RAJESH GOVIND SINGH, DHILIWAL.

2. SUNIL BANSILAL GOKHARU, EMPLOYEE OF M/S.SWARNA SHILPI, RESIDING AT 1/102, PANTH NAGAR, GHAKOTAKOPA EAST, MUMBAI-77.

3. HEMANT SINGH CHAMPAWAT, EMPLOYEE OF M/S.SWARNA SHILPI, RESIDING AT NEELYOG RESIDENCY, K-2/304, PANTH NAGAR, GHAKPTALA EAST, MUMBAI-77.

BY ADV. SRI.S.VIJAYAN NAYAR

RESPONDENTS:

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1. COMMISSIONER OF INCOME TAX, CALICUT.

2. ASSISTANT DIRECTOR OF INCOME TAX (INV) P.K.COMPLEX, CALICUT.

3. COMMISSIONER OF INCOME TAX 14, MUMBAI.

4. INCOME TAX OFFICER 14 (1) (1), MUMBAI.

BY ADV. SHRI.GEORGE K GEORGE, SC

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 23/07/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR, J.

WP(C) No. 22551 of 2007

Dated, this the 23rd day of July, 2007

J U D G M E N T

First petitioner claims to be the owner of the gold ornaments, seized from 2nd & 3rd petitioners by Police and handed over to the Income Tax Department. Petitioners have offered rupees one crore towards security for release of the gold pending adjudication. Learned Standing Counsel submitted that Department can not release the goods unless bank guarantee is furnished for full value, and valuation is yet to be done. This writ petition is, accordingly, disposed of directing respondents 1 & 2 to get the gold ornaments seized valued and release it on petitioners' furnishing bank guarantee, from local Branch of a Nationalised Bank, for its value. There will be direction to the respondents to complete the adjudication also without delay. Bank guarantee should be valid initially for a period of one year and should be kept valid till adjudication is completed and till demand, if any, are made.

Issue photocopy of this judgment today itself.

(C.N.RAMACHANDRAN NAIR, JUDGE)

jg